

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6733**

**BILL NUMBER:** SB 144

**NOTE PREPARED:** Feb 19, 2004

**BILL AMENDED:** Feb 19, 2004

**SUBJECT:** Transient Noncommunity Water Systems.

**FIRST AUTHOR:** Sen. Meeks R

**FIRST SPONSOR:** Rep. Bottorff

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) The bill establishes the Emission Reduction Credit Registry.

It defines "transient noncommunity water system." It provides that a transient noncommunity water system that serves a population of 250 or less and that uses groundwater is not subject to engineer certifications or alternative technical standard rules. The bill also allows the transient noncommunity water system to use an alternative to technical standards if approved by the commissioner.

The bill specifies that the commissioner may discontinue an approved alternative standard if the system is not operated in the manner approved. It requires the commissioner, if requested, to modify an isolation area to make an alternative modified isolation area if certain conditions are met. It also requires that the Water Pollution Control Board amend certain sections of the administrative code to comply with this act.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** (Revised) *Credit Registry* - This bill requires the Department of Environmental Management to maintain a registry for emission reduction credits, create forms and instructions for registry applications and notices, and develop guidance for utilizing the credits. The bill also provides for the Air Pollution Control Board to adopt rules to implement the registry.

The Department should experience a minimal fiscal impact in administering the registry, which may require some additional staff time to establish the database and review applications. The Department also expects that any resources required during the rule-making process should be absorbed by current staff.

*Background:* The Emission Reduction Credit Registry may be used by certain permitted air pollutant

discharge sources to contribute credits to the registry when a source has achieved a reduction in emissions. The credits may be used for any purpose allowed by: federal law, federal regulations, state law, or rules adopted by the Board. A permitted source that has a credit in the registry may transfer it to another entity.

*Water Systems* - This bill allows the Department of Environmental Management to approve alternative technical standards and modified isolation areas for transient noncommunity water systems. The Department anticipates it can absorb the cost of any additional resources that may be required to comply with these provisions.

The bill also requires the Water Pollution Control Board to amend the sections of the Administrative Code that correspond to the bill's other provisions. The Department reports it can use existing resources for the rule amending process.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Environmental Management.

**Local Agencies Affected:**

**Information Sources:** Wendy Hoffspiegel, Department of Environmental Management.

**Fiscal Analyst:** Valerie Ruda, 317-232-9853.